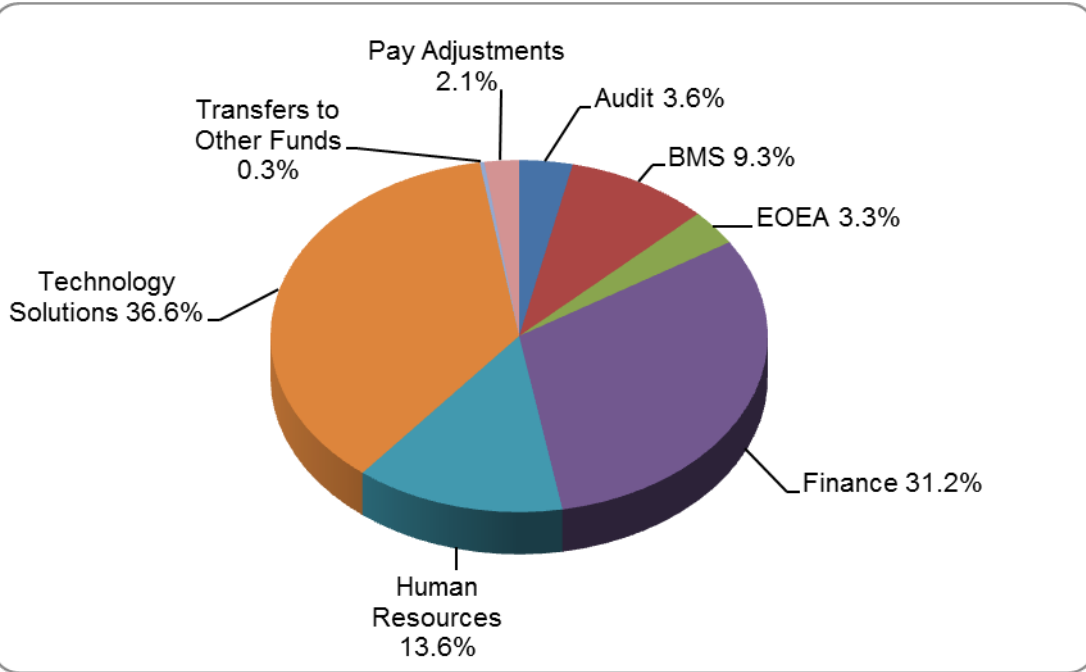


ADMINISTRATIVE AND SUPPORT BUDGET SUMMARY

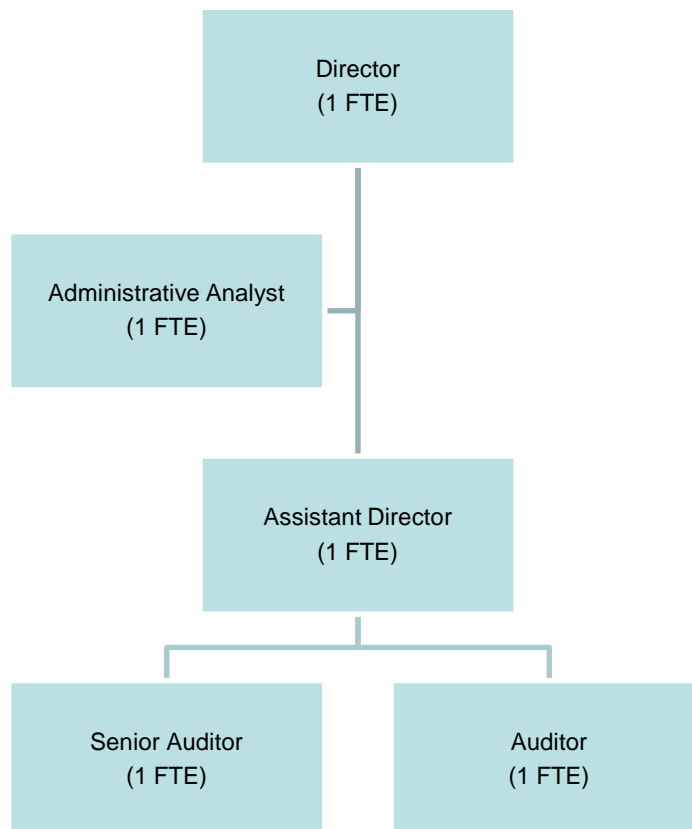
	Actual FY 2013-14	Adopted FY 2014-15	Estimated FY 2014-15	Proposed FY 2015-16	Change
Non-Grant Appropriations					
Audit Services	\$ 553,966	\$ 553,732	\$ 541,385	\$ 561,899	1.5%
Budget and Management Services	1,185,045	1,226,476	1,283,270	1,511,107	23.2%
Equal Opportunity and Equity Assurance	719,641	575,930	526,420	532,341	-7.6%
Mayor's Committee for Disabled	3,706	5,500	2,910	5,000	-9.1%
Finance	4,530,646	5,098,397	5,086,874	5,058,036	-0.8%
Human Resources	1,696,029	1,751,014	1,878,932	1,980,711	13.1%
Flex Reimbursement	41,913	30,000	30,000	30,000	0.0%
Unemployment Compensation	613,556	300,000	124,000	200,000	-33.3%
Technology Solutions	5,645,878	6,000,130	6,458,286	5,944,377	-0.9%
Pay Adjustments/Others	-	-	414,092	364,686	100.0%
Transfers to Other Funds	48,709	48,709	48,709	48,719	0.0%
Total Appropriations	\$ 15,039,089	\$ 15,589,888	\$ 16,394,878	\$ 16,236,876	4.2%
Full Time Equivalents	130	129	129	130	(1.0)
Part Time	1	1	1	0	(1.0)
Revenues					
General Fund					
Discretionary	\$ 13,929,098	\$ 14,251,612	\$ 14,966,659	\$ 14,687,584	3.1%
Program	522,153	677,311	760,005	785,511	16.0%
General Fund Subtotal	\$ 14,451,251	\$ 14,928,923	\$ 15,726,664	\$ 15,473,095	3.6%
Water and Sewer Fund	161,381	193,602	200,851	199,786	3.2%
Risk Claims Fund	344,461	386,624	386,624	480,356	24.2%
Employee Insurance Fund	81,996	80,739	80,739	83,639	3.6%
Total Revenues	\$ 15,039,089	\$ 15,589,888	\$ 16,394,878	\$ 16,236,876	4.2%

ADMINISTRATIVE AND SUPPORT





Audit Services (5 FTEs)



AUDIT SERVICES

Purpose Statement

To provide independent, objective assurance and investigative services.

DEPARTMENT DESCRIPTION

Audit Services

\$ 561,899
5 FTEs

Auditing is an independent appraisal function designed to examine and evaluate activities within the City as a service to management, the Audit Services Oversight Committee, and elected officials. Auditing provides assurance that internal controls are adequate to minimize risks and add value through effective and efficient operations. External entities are also subject to review to determine whether revenues have been properly remitted to the City, and whether grant or pass-through funds are appropriately utilized.

The Audit Services Department conducts compliance and performance audits, non-audit services (e.g. participation in: the Departmental Strategic Plan; outside Peer Review teams; and h3N7Y6808New Employee Training-Ethics component) and performs investigations and special reviews. The Department is responsible for administration of the external audit contract as well as obtaining an external peer review of the Department's activities. The Department maintains a confidential Fraud, Waste, and Abuse tip Hotline to help ensure fiscal responsibility and accountability throughout the organization.

Audit Program

Provides independent assurance that internal controls are adequate to minimize risks and safeguard City assets.

Fraud, Waste and Abuse

Promotes an anonymous means to detect, deter and prevent fraud, waste or abuse.

Administration

Organizes human and capital resources through planning, leading, staffing and controlling activities; and serves as project manager for the City-wide financial audit including administration of the contract and RFP process.

RESOURCE ALLOCATION

	Actual FY 2013-14	Adopted FY 2014-15	Estimated FY 2014-15	Proposed FY 2015-16	Change
Appropriations					
Personal Services	\$ 457,608	\$ 453,904	\$ 443,964	\$ 464,371	2.3%
Operating	96,358	99,828	97,421	97,528	-2.3%
Capital and Other	-	-	-	-	0.0%
Total Appropriations	\$ 553,966	\$ 553,732	\$ 541,385	\$ 561,899	1.5%
Full Time Equivalents	5	5	5	5	-
Part Time	-	-	-	-	-
Revenues					
Discretionary	\$ 553,966	\$ 553,732	\$ 541,385	\$ 561,899	1.5%
Program	-	-	-	-	0.0%
Total Revenues	\$ 553,966	\$ 553,732	\$ 541,385	\$ 561,899	1.5%

DEPARTMENT PROGRAMS & PERFORMANCE MEASURES

Program: **Audit Program** **General Fund: \$336,565**
FTEs: 3

Goal: Well-Managed City
Objective: To provide independent and objective assurance and consulting services that enhance the efficiency and effectiveness of the City's services; and ensure resources are used in accordance with established laws.
Initiative: Complete comprehensive audits and quarterly follow-up reports and provide useful recommendations for management.

	Actual	Adopted	Estimated	Proposed
Measures:	FY14	FY15	FY15	FY16
# Comprehensive audits completed	10	10	9	10
% Recommendations accepted by management	100%	100%	100%	100%
# Audits/Reports completed during the year per FTE	5	4	4	4

Program: **Fraud, Waste and Abuse** **General Fund: \$112,667**
FTEs: 1

Goal: Well-Managed City
Objective: To increase awareness about fraud, waste and abuse by communicating the need for ethical behavior regarding City financial transactions and relationships with customers, vendors and employees.
Initiative: Market the fraud, waste and abuse Program by conducting City wide training on ethics and internal controls, hosting fraud awareness activities and posting the tip Hotline in at least two different media.

	Actual	Adopted	Estimated	Proposed
Measures:	FY14	FY15	FY15	FY16
% of Fraud Hotline tip allegations commenced within 2 days of receipt	100%	100%	100%	100%
# of Fraud, waste and abuse allegations investigated	36	19	15	19
% of Fraud Hotline tips substantiated	45%	40%	55%	40%

Program: **Administration** **General Fund: \$112,667**
FTEs: 1

Goal: Well-Managed City
Objective: Obtain training and maintain certifications for staff to meet required professional standards, and to sustain a highly trained professional staff.
Initiative: Meet the GAO's Government Auditing Standard that requires each auditor to complete at least 80 hours of Continuing Professional Education every two years which contributes to each auditor's proficiency.

	Actual	Adopted	Estimated	Proposed
Measures:	FY14	FY15	FY15	FY16
# of CPE hours completed by the staff	160	160	140	160
% of Audit staff achieving professional certification	100%	100%	100%	100%

Objective: Engage in continuous process improvement.

Initiative: Evaluate existing technologies. Implement technologies to streamline/enhance department operations.

	Actual	Adopted	Estimated	Proposed
Measures:	FY14	FY15	FY15	FY16
% of Active Strategic Plan initiatives meeting target implementation timeline	80%	80%	87%	80%
% of Active Strategic Plan measures showing improvement (upward trend)	89%	80%	11%	80%

Objective: To conform to requirements for contracting for the annual audit per North Carolina G.S.159-34.

Initiative: Comply with invoice processing and audit completion deadlines.

	Actual	Adopted	Estimated	Proposed
Measures:	FY14	FY15	FY15	FY16
% Times financial audit report was completed by the designated 10/31 deadline	100%	100%	100%	100%

BUDGET ISSUES FOR FY 2015-16

- The external audit contract begins a new three year cycle in FY 2015. The FY 2015 fee is the same as the fee for FY 2014; however, the fee will increase by 3% for FY 2016.

ACCOMPLISHMENTS FOR FY 2014-15

- Managed mandatory Ethics Training for 92.6% of full and part-time City staff through March 31, 2015.
- Emphasized increased monitoring and internal control implementation through a combination of compliance and performance audits for activities such as the Take Home Vehicle Performance Audit, the Code Enforcement Performance Audit, and the City of Durham Benefits Performance Audit.
- Developed performance measures for the new Departmental Strategic Plan.
- Held a fraud prevention awareness week of activities commemorating National Internal Audit Week; showcasing a fraud museum, and ending with a symposium with a keynote speaker.
- Volunteered in programs such as the Food Bank of Durham with 100% participation from staff.
- Utilized the ACL software application, Benford's Law, and computer aided audit techniques to better assess risks during audit engagements.
- Obtained a total of 160 hours of required continuing professional education in the department including ethics training for the professional staff.
- Two staff members completed the Chartered Global Management Accountant (CGMA) certification. This certification focuses on skills that enhance critical thinking to drive best business practices through decision modeling tools as well as enterprise risk management assessment tools.
- Completed ten (10) employee engagement activities towards improvement of the 2014 employee opinion survey results.

- Authored article titled “Fraud Theory” in the 2014 ALGA Quarterly Fall Journal. The fraud prevention toolkit discussed in the article incorporated seminal and current fraud literature. The toolkit recommended, provides a protocol against fraud when publicized and practiced organization wide.
- Monitored the Fraud, Waste and Abuse hotline; examined 9 allegations.
- Evaluated and developed specific training and career development plans for Audit staff; resulting in two staff securing opportunities to help them achieve their individual development career goals.
- Participated in City College, providing employees a general overview of the Audit Services Department.
- Participated in the 2015 Speakers Forum for the Raleigh, NC Chapter of Institute of Internal Auditors.
- Participated as a member of a Yellow Book Peer Review Team (Wake County Public School System- NC).
- Taught eight sessions of the Ethics component of New Employee Orientation training.
- Began the Executive Leadership Academy sponsored by the City.
- Completed a departmental newsletter that focused on talent development and perspectives on ethical conduct: the gray area.

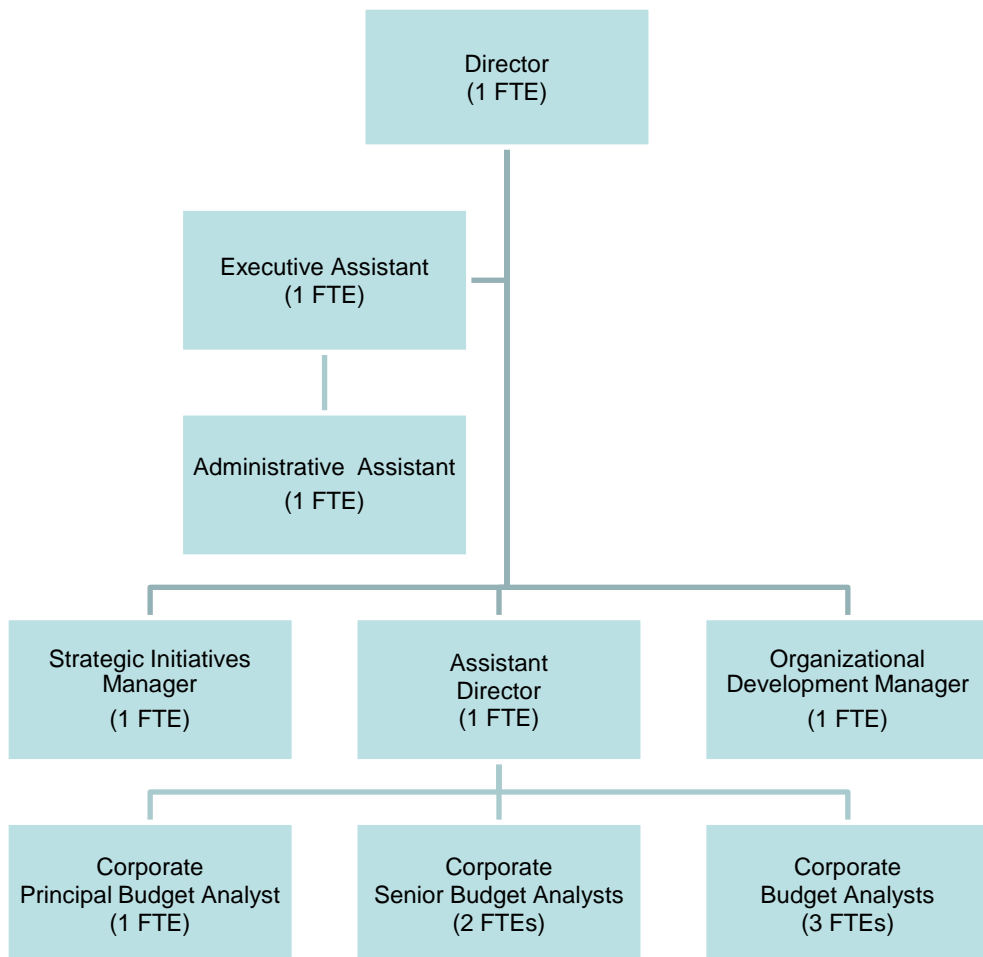
ANTICIPATED ACCOMPLISHMENTS FOR FY 2015-16

- Implement new initiatives and measures for the Departmental Strategic Plan.
- Apply continuous monitoring for selected processes as a result of using the MUNIS integrated modules.
- Conduct training sessions targeted to City staff accountable for developing, implementing, and monitoring internal controls.
- Evaluate and continue to develop specific training, career development and certification plans for Audit staff.
- Enhance sustainability initiatives to gain efficiencies in the auditing program, thus reducing costs.
- Continuously research best practices to complement and augment the risk-based audit work plan process.
- Produce a semi-annual newsletter that will provide “best practices” of specific targeted control issues, and update the community on fraud, waste and abuse issues.
- Participate in City College to provide a general overview to employees of the Audit Services Department.
- Participate in the building of a Habitat for Humanity house; and volunteer to help positively impact the Mayor’s Poverty Initiative in Durham.
- Develop and implement strategies to improve employee satisfaction within the department by using results from the Employee Satisfaction Survey to impact positive change.
- Seek to integrate outside experts in the areas of ethics and internal controls to supplement in house staff training.



Budget & Management Services

(12 FTEs)



BUDGET AND MANAGEMENT SERVICES

Purpose Statement:

To inform decision making, align resources with organizational priorities, and improve the performance of employees and processes.

DEPARTMENT DESCRIPTION

Budget and Management Services

\$1,511,107
12 FTEs

The department is primarily responsible for the development and oversight of the City's annual budget and Capital Improvement Program (CIP). The department is also responsible organizational development, performance management and strategic planning. The department provides policy and management analysis to support decision making. The department primarily supports two Strategic Plan goals; Well Managed City and Stewardship of the City's Physical Assets.

Other departmental responsibilities include training and support for the MUNIS / ERP budgeting module, the coordination of cross-organization training and leadership initiatives such as Culture of Service, and participation in downtown and neighborhood economic strategies. Overall the department is focusing on furthering the goal of transparency and accountability with its operations and communications and enhancing citizen and employee engagement.

Administration

Administration provides leadership and administrative support both within the department and throughout the City government.

Annual Budget and Capital Improvement Program (CIP) Development, Monitoring and Reporting

This program provides for the development and oversight of the City's annual budget and CIP. Also, supports the Citizen Capital Improvement Panel (CCIP) and CIP project website.

Strategic Initiatives/Organizational Development

Maintains the citywide Strategic Plan and provides support in the development of departmental strategic plans. Also, conducts operational and organizational studies as identified by City Council, City Manager's Office, department and budget staff. Works with departments to build and implement performance measurement monitoring and evaluation. Provides oversight of the resident and employee opinion surveys.

RESOURCE ALLOCATION

	Actual FY 2013-14	Adopted FY 2014-15	Estimated FY 2014-15	Proposed FY 2015-16	Change
Appropriations					
Personal Services	\$ 1,114,121	\$ 1,117,987	\$ 1,119,908	\$ 1,197,145	7.1%
Operating	70,924	108,489	163,362	313,962	189.4%
Capital and Other	-	-	-	-	0.0%
Total Appropriations	\$ 1,185,045	\$ 1,226,476	\$ 1,283,270	\$ 1,511,107	23.2%
Full Time Equivalents	12	12	12	12	-
Part Time	-	-	-	-	-
Revenues					
Discretionary	\$ 1,184,795	\$ 1,226,476	\$ 1,283,270	\$ 1,511,107	23.2%
Program	250	-	-	-	0.0%
Total Revenues	\$ 1,185,045	\$ 1,226,476	\$ 1,283,270	\$ 1,511,107	23.2%

DEPARTMENT PROGRAMS & PERFORMANCE MEASURES

Program: Annual Budget Development, Monitoring and Reporting **General Fund:** \$763,730
FTEs: 7

Goal: Well Managed City

Objective: To provide a budget document that meets the program criteria of the Government Finance Officers Association (GFOA) and serves as a policy document, operations guide, and financial plan for the City.

Initiative: Develop a budget document that qualifies for GFOA Distinguished Budget Presentation Award.

	Actual FY 14	Adopted FY 15	Estimated FY15	Proposed FY16
Measure: Received GFOA distinguished budget award	YES	YES	YES	YES

Objective: To project General Fund discretionary revenues to within 1% of actual revenues received.

Initiative: Develop revenue estimates based on information obtained from other city departments, state agencies, and the Durham County Tax Office.

	Actual FY 14	Adopted FY 15	Estimated FY15	Proposed FY16
Measure: % Accuracy of discretionary General Fund revenue projection	-0.7%	±1.0%	2.53%	±1.0%

Objective: To provide timely and accurate reports to update the City Manager and City Council on the City's current and future financial position and to support decision making.

Initiative: Present quarterly financial reports to the City Manager and City Council and post reports on the City's internet.

	Actual	Adopted	Estimated	Proposed
Measure:	FY 14	FY 15	FY15	FY16
% Reports issues on schedule	100%	100%	100%	100%

Objective: To project City department budgets and fund budgets at or below budget.

Initiative: Provide monthly reconciliations of City budgets, and work with departments to ensure that revenues and expenditures are monitored and accurately forecasted.

	Actual	Adopted	Estimated	Proposed
Measure:	FY 14	FY 15	FY15	FY16
% Departments at or below net funding	100%	100%	100%	100%

Program: Annual Capital Improvement Program Development, Monitoring and Reporting **General Fund:** **\$103,376**
FTE: **1**

Goal: Stewardship of City's Capital Assets

Objective: To invest in public infrastructure.

Initiative: Manage decision-making process and information that allows for strategic investment in infrastructure.

	Actual	Adopted	Estimated	Proposed
Measures:	FY 14	FY 15	FY15	FY16
% of requested General Fund CIP projects approved for funding	71%	70%	70%	70%
% Dollar value of approved General Fund CIP/requested funding	94%	60%	60%	60%

Program: Strategic Initiatives **General Fund:** **\$344,727**
FTE: **1**

Goal: Well-Managed City

Objective: To initiate process improvements in City government that will increase the efficiency and effectiveness of operations.

Initiative: To develop revised strategy for process improvements.

	Actual	Adopted	Estimated	Proposed
Measures:	FY 14	FY 15	FY15	FY16
# of Process improvement initiatives completed	2	2	0	1
% of Approved process improvement recommendations implemented by original target date	80%	100%	0%	100%

% of No cost process improvement recommendations implemented within 6 months of final approval	100%	100%	0%	100%
Staff hours/cost per process improvement	48/\$1892	150/\$5,100	0/\$0	150/\$5,100

Objective: Engage in Continuous Process Improvements.

Initiative: Ensure implementation of all department strategic plan initiatives.

Measures:	Actual FY 14	Adopted FY 15	Estimated FY15	Proposed FY16
% Accuracy of Citywide Strategic Plan Measures per Annual Audit	80%	95%	85%	95%
% of FY14 Citywide intermediate measures at or above milestone or target	35%	50%	33%	40%
% of Departments with Strategic Plans	100%	100%	79%	100%

Program: Organizational Development

General Fund: \$184,109
FTE: 1

Goal: Well Managed City

Objective: To establish an exceptional, diverse, and engaged workforce.

Initiative: Increase employee engagement through organizational development initiatives.

Measures:	Actual FY 14	Adopted FY 15	Estimated FY15	Proposed FY16
# of employees participating in Durham First initiatives	1,915	2,000	2,300	2,100
City College	37	40	36	40
Leadership Academy	13	16	13	16
Leadership Conference	237	300	250	300
Admin. Professionals Conference	105	120	81	120
Average cost/employee Durham First initiatives	\$6	\$3	\$4	\$3
City College	\$52	\$50	\$75	\$50
Leadership Academy	\$0	\$860	\$1,000	\$839
Leadership Conference	\$22	\$17	\$22	\$17
Admin. Professionals Conference	\$16	\$13	\$33	\$13

Objective: Manage talent and ensure continuity of leadership.

Initiative: Increase employee engagement through organizational development initiatives.

Measures:	Actual FY 14	Adopted FY 15	Estimated FY15	Proposed FY16
# of existing employees promoted to management positions	43	55	44	55

Program:	Administration	General Fund:	\$115,165
		FTEs:	2

Goal: Well-Managed City

Objective: Ensure effective internal and external communication/satisfaction.

Measures:	Actual FY 14	Adopted FY 15	Estimated FY15	Proposed FY16
% of departments surveyed rating the budget process at satisfied or above	88%	80%	79%	80%

BUDGET ISSUES FOR FY 2015-2016

- Implementation of the proposed FY 2016-2018 City Strategic Plan.
- Development and implementation of departmental strategic plans.
- Continued Development of departmental performance measures.
- Continued refinement of the Priority Based Budgeting Process.
- Implementation of a City-wide performance measurement and monitoring system.
- Improvements in the monitoring of strategic plan objectives, measures, and initiatives.
- Update to the Budget and Management Services Strategic Plan.
- Implementation of priority based budgeting for all departments.

ACCOMPLISHMENTS FOR FY 2014-15

- Granted the Distinguished Budget Document award for the FY2014-15 budget from the Government Finance Officers Association. This is the 26th consecutive year that the City has received this award.
- Staffed the Citizen's Capital Improvement Panel (CCIP) Advisory Committee for the 12th year to enhance citizen participation in the prioritization and oversight of capital needs, as well as an Internal CIP Advisory Committee to improve coordination of capital projects within the City.
- Coordinated five Coffees with Council, a citywide PAC meeting, internet engagement activities, an e-Town Hall with Council, and two public hearings in an effort to solicit feedback from Durham residents and City employees on budget priorities for the upcoming fiscal year.
- Maintained a website for citizens and City staff to track annexation requests and further the goal of enhanced communications.
- Processed thirteen voluntary annexation petitions.
- Developed the City Manager recommended annual budget for FY2015-16 and the Capital Improvement Plan for FY2016-21 on May 19, 2015.
- Posted the FY2015-16 final budget document to the City web site on June 30, 2015, and distributed thereafter.
- Maintained the CIP website to enable citizens to track the progress of capital improvement projects.

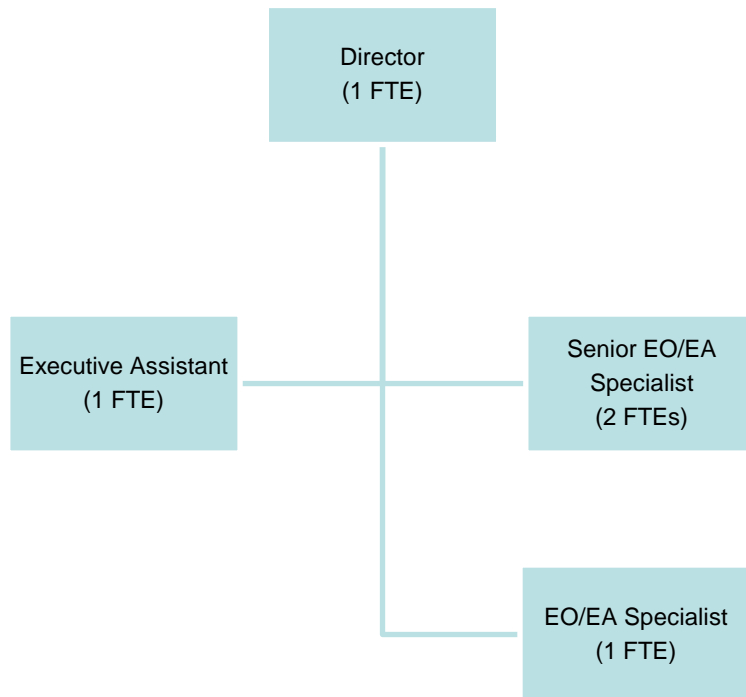
- Provided quarterly financial updates to the City Manager and Council. Proactively evaluated the fiscal impact of economic challenges, particularly with respect to revenues and development activity, and proposed effective financial strategies to prevent overspending and ensure a balanced FY2014-15 budget.
- Provided ongoing education opportunities to the public on the budget process and development of the FY2015-16 budget.
- Led organization-wide Culture of Service initiatives.
- Completed biennial Employee Satisfaction Survey.
- Facilitated Executive Team retreats.
- Coordinated implementation of the FY2015 Employee Satisfaction Survey.
- Conducted Leadership Academy, City College, the sixth Annual Fall Leadership Conference and the seventh Annual Administrative Professionals Conference.
- Created and maintained a strategic plan dashboard for citizens and City staff to track progress on objectives, measures and initiatives and to obtain general information about the City's Strategic Plan.
- Performed a City-wide Strategic Plan Refresh, engaging residents, city employees, and other stakeholders on important objectives and initiatives for the City.
- Continued coordination and oversight of the departmental Strategic Planning process.
- Transitioned to the new City-wide intranet, CODI, for Budget, Strategic Planning, and DurhamFirst.
- Implement an Executive Leadership Academy for Department Directors and Deputy City Managers.

ANTICIPATED ACCOMPLISHMENTS FOR FY 2015-16

- Develop and publish the FY2016-17 Budget and FY2017-22 Capital Improvement Plan.
- Monitor annual operating and CIP budgets.
- Refine the multi-year financial model.
- Refine the CIP model.
- Development of action plans regarding results from Employee Satisfaction Survey.
- Continue implementation of the Citywide strategic plan to include all joint City/County/DPS initiatives.
- Coordinate and provide oversight on the Departmental strategic planning process and implementation.
- Coordinate the development and implementation of strategic plan departmental dashboards.
- Development of new strategy for the Process Improvement Program.
- Provide quarterly financial updates to the City Manager and Council.
- Provide monthly financial updates to the City Manager.
- Coordinate annual Coffees with Council and other budget outreach efforts.
- Coordinate the evaluation and updating of departmental performance measures.
- Perform cost benefit analyses on voluntary annexation petitions as received.
- Maintain the CIP website.
- Continue to integrate Strategic Initiatives resources within the department to enhance the citywide focus on performance and delivery of services, leadership development, and a culture of service.
- Coordinate and provide oversight on biennial Resident Opinion Survey.
- Coordinate organizational Culture of Service initiatives.
- Continue to refine departmental performance measures.
- Refine the Priority Based Budgeting process.
- Select and implement a city-wide performance measurement software system.
- Implement an Executive Leadership Academy for Assistant Directors.



Equal Opportunity/ Equity Assurance (5 FTEs)



EQUAL OPPORTUNITY AND EQUITY ASSURANCE

Purpose Statement:

To promote an environment that supports small business growth and inclusion.

DEPARTMENT DESCRIPTION

Equal Opportunity and Equity Assurance

\$537,341
6 FTEs

The Department of Equal Opportunity/Equity Assurance is responsible for the implementation of the City's Equal Business Opportunity Program (EBOP) and Small Local Business Enterprise Program (SLBEP). Responsibilities include:

- Recruitment of small disadvantaged business enterprises (SDBEs) and small local business enterprises (SLBEs) eligible to participate in the EBOP and SLBEP.
- Certification of businesses to service City contracts in the areas of construction, professional services, supplier/vendor, and non-professional services.
- Maintenance of the SDBE and SLBE databases of all currently certified businesses.
- Business development through the provision of technical assistance and support.
- Staff support to the EBOP Advisory Committee and the Mayor's Committee for Persons with Disabilities.
- Project identification for potential contracting opportunities from City departments.
- SDBE/SLBE participation goal setting.
- EBOP and SLBEP compliance determination.
- Monitoring of SDBE and SLBE participation in City contracting activity.
- Reporting of SDBE and SLBE participation on City contracts and reporting on special projects as requested.
- Monitoring City compliance with Senate Bill 914 reporting requirements.

Business Services

Services consist of SDBE/SLBE business recruitment, certification /recertification, database management, goal setting, compliance monitoring and reporting and news brief.

Administrative Services

Services consist of program operations, policy development, financial operations, Human Resources functions, program monitoring, city and state compliance.

Technical Assistance Services

Series of small business development programs to include business finance, legal issues, bidding/estimating, small business technology, project management and other topics based on identified need.

RESOURCE ALLOCATION

	Actual FY 2013-14	Adopted FY 2014-15	Estimated FY 2014-15	Proposed FY 2015-16	Change
Appropriations					
Personal Services	\$ 503,304	\$ 496,620	\$ 474,988	\$ 508,106	2.3%
Operating	216,337	79,310	51,432	24,235	-69.4%
Capital and Other	-	-	-	-	0.0%
Subtotal Appropriations	\$ 719,641	\$ 575,930	\$ 526,420	\$ 532,341	-7.6%
Mayor's Committee for Persons with Disabilities	\$ 3,706	\$ 5,500	\$ 2,910	\$ 5,000	-9.1%
Subtotal Nondepartmental	\$ 3,706	\$ 5,500	\$ 2,910	\$ 5,000	-9.1%
Total Appropriations	\$ 723,347	\$ 581,430	\$ 529,330	\$ 537,341	-7.6%
Full Time Equivalents	5	5	5	6	1
Part Time	1	1	1	-	-1
Revenues					
Discretionary	\$ 723,347	\$ 581,430	\$ 529,330	\$ 537,341	-7.6%
Program	-	-	-	-	0.0%
Total Revenues	\$ 723,347	\$ 581,430	\$ 529,330	\$ 537,341	-7.6%

DEPARTMENT PROGRAMS & PERFORMANCE MEASURES

Program: Business Services **General Fund:** \$283,079
FTEs: 3.50

Goal: Strong and Diverse Economy

Objective: SDBEs will receive a percentage of City of Durham construction and professional services contracting dollars.

Initiative: Recruit SDBE firms, seek and make available economic and business development opportunities for SDBE firms and monitor participation.

	Actual FY14	Adopted FY15	Estimated FY15	Proposed FY16
Measures:				
% of dollars spent with minority-owned SDBEs in professional services	4%	8%	2%	5%
% of dollars spent with minority-owned SDBEs in construction	3%	10%	3%	5%
% of dollars spent with women-owned SDBEs in professional services	2%	5%	7%	5%
% of dollars spent with women-owned SDBEs in construction	3%	5%	2%	5%

Objective: To make economic and business development opportunities in construction of up to \$500,000 and professional services \$100,000 or less available to Small Local Business Enterprises (SLBEs) in the Durham Metropolitan Statistical Area (MSA).

Initiative: Implement Durham Small Local Business Enterprise Program and monitor contracts awarded to SLBEs.

	Actual FY14	Adopted FY15	Estimated FY15	Proposed FY16
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Measures:				
% of professional services dollars spent with SLBEs from contracts \$100,000 or less	2%	10%	7%	10%

% of construction dollars spent with SLBEs from contracts \$500,000 or less	2%	10%	2%	5%
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Program:	Administrative Services	General Fund:	\$216,510
		FTEs:	2.00

Goal: Well-Managed City

Objective: To find City contracting activity in compliance with the Ordinance to Promote Equal Business Opportunities in City Contracting 100% of the time.

Initiative: Audit contract compliance in the OnBase Contract Workflow System.

	Actual FY14	Adopted FY15	Estimated FY15	Proposed FY16
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Measures:				
% of contracts found in compliance with ordinance	95%	100%	95%	100%

Objective: To maintain a high level of departmental employee satisfaction.

Initiative: Implement departmental Employee Recognition Program; implement low/no cost morale boosters; allow staff participation in departmental decision-making.

	Actual FY14	Adopted FY15	Estimated FY15	Proposed FY16
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Measures:				
% of questions on the Employee Opinion Survey rated at 80% or above	N/A	80%	100%	N/A

Program:	Technical Assistance Program	General Fund:	\$32,752
		FTEs:	0.50

Goal: Strong and Diverse Economy

Objective: Provide at least six educational programs to at least 10 small businesses per session.

Initiative: Offer series of educational programs focused on identified needs of small businesses and promote participation in programs.

	Actual FY14	Adopted FY15	Estimated FY15	Proposed FY16
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Measures:				
# of small business participants per session	9	10	11	11

Average cost per session	\$469	\$422	\$384	\$384
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Program:	Mayor's Committee for Persons With Disabilities	General Fund:	\$5,000
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BUDGET ISSUES FOR FY 2015-16

- Maintaining current departmental service level to fulfill the responsibilities of the Equal Business Opportunity Program and Small Local Business Enterprise Program.

ACCOMPLISHMENTS FOR FY 2014-15

- Sought business opportunities for certified small disadvantaged business enterprises (SDBEs) in all City contracting, as well as Durham County Government, Durham Public Schools projects and private sector projects.
- Certified sufficient firms to begin full implementation of the SLBE Program and began assigning projects to this program.
- Completed implementation of joint Disparity Study with Durham County Government,
- Monitored our departmental Strategic Plan.
- Conducted successful Minority Enterprise Development Week activities that included: an Awards Luncheon attended by approximately 125 persons and was highlighted by honoring four small businesses and a minority business advocate, a forum on new Durham development projects attended by approximately 80 participants, a Meet the Purchaser networking event with the Durham Chamber of Commerce attended by approximately 200 participants, a Multicultural Business Fair in conjunction with the Greater Durham Black Chamber of Commerce with approximately 75 attendees and a MED Week Golf Day with approximately 50 participants for golf and the golf clinic.
- Conducted six technical assistance seminars on various business development topics with an average of ten persons in attendance.
- Sent bid opportunities to SDBEs every two weeks and to SLBEs as information became available to advise them of business and educational opportunities and other information of interest to business owners.
- Received minority business advocacy awards from the Triangle Business Journal and the Greater Durham Black Chamber of Commerce.

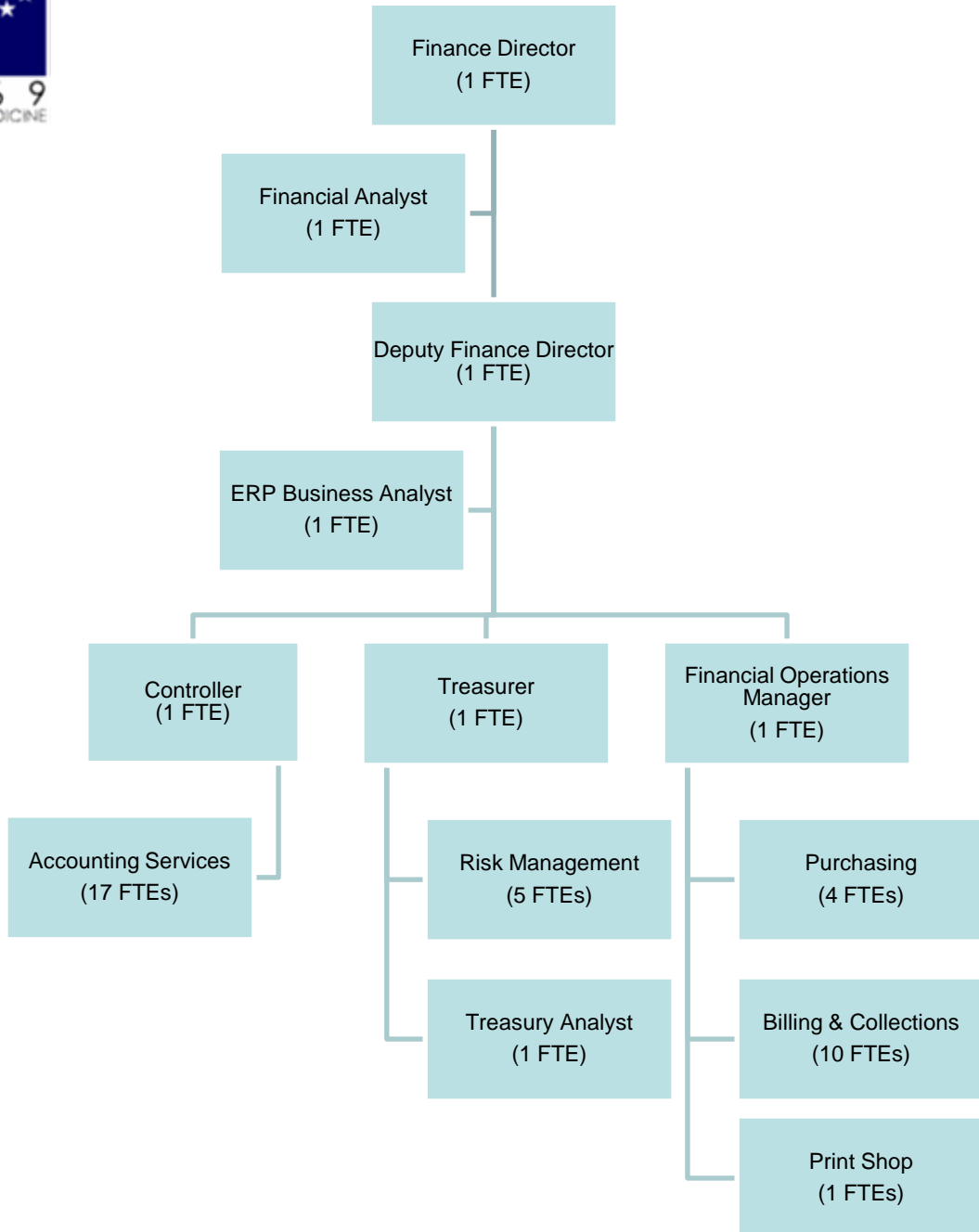
ANTICIPATED ACCOMPLISHMENTS FOR FY 2015-16

- Detailed review of the joint Disparity Study recommendations with development of an implementation strategy and implementation of recommendations.
- Continue monitoring of our departmental strategic plan's goals, objectives, initiatives and measures.
- Continue business services to include educational programs designed to support small business development and capacity-building.
- Continue efforts to increase the numbers of SDBEs and SLBEs and the dollars they obtain through City contracting activity.
- Actively seek specific business opportunities for SDBEs and SLBEs on all City projects.
- Maintain high level of departmental employee satisfaction.



Finance

(45 FTEs)



FINANCE

Purpose Statement:

To protect the City's assets, efficiently process and record financial transactions, maintain fiscal integrity, provide timely, accurate and comprehensive financial reporting and analysis, and to professionally and prudently enhance the City's financial position.

DEPARTMENT DESCRIPTION

Finance

\$5,058,036
45 FTEs

The department is primarily responsible for enhancing the City's financial position. The department is divided into seven divisions: the office of the director, accounting services, treasury management, billing and collections, risk management and safety, purchasing, and the print shop.

Among other things, the department's budget includes the fees associated with the following contract payments to outside service providers: the fees to Durham County associated with the collection of property tax revenue under the interlocal tax contract; the fees associated with the provision of banking and lockbox services for the maintenance of the City's bank accounts; and, the fees for investment advisory services to manage a portion of the City's portfolio.

Office of the Director

This program provides leadership and management direction for the department and policy formulation and analysis for the City.

Payroll

This program processes the biweekly payroll checks for approximately 2,300 City employees.

Accounts Payable

This program provides accounts payable for approximately 65,000 invoices per year.

Financial Reporting

This program provides financial reporting including CAFR, annual and quarterly financial reports, and federal, state, and other agency reports.

Purchasing

This program provides a centralized approach for bid specifications and solicitations for apparatus, supplies, equipment, and materials for all departments. Also included are contract compliance and disposal of surplus property.

Treasury Management

This program provides cash, investment portfolio, debt management, and banking services oversight and management.

Interlocal Tax Contract

Interlocal property tax collection contract with Durham County.

Billing and Collections

This program provides a centralized approach for non-utility billing, issues business licenses, and provides a centralized approach for cash collections of all revenues due the City.

Print Shop

This program provides a full service copy and printing shop as well as mail services.

Risk Management & Safety

This program provides claim management, supports departments in occupational safety and OSHA compliance, and coordinates occupational health services.

RESOURCE ALLOCATION					
	Actual FY 2013-14	Adopted FY 2014-15	Estimated FY 2014-15	Proposed FY 2015-16	Change
Appropriations					
Personal Services	\$ 3,290,534	\$ 3,450,054	\$ 3,457,303	\$ 3,478,979	0.8%
Operating	1,240,112	1,648,343	1,629,571	1,579,057	-4.2%
Capital and Other	-	-	-	-	0.0%
Total Appropriations	\$ 4,530,646	\$ 5,098,397	\$ 5,086,874	\$ 5,058,036	-0.8%
Full Time Equivalents	48	47	47	45	-2
Part Time	-	-	-	-	-
Revenues					
Discretionary	\$ 3,911,114	\$ 4,412,471	\$ 4,376,005	\$ 4,325,364	-2.0%
Program	113,690	105,700	123,394	125,564	18.8%
Total General Fund	\$ 4,024,804	\$ 4,518,171	\$ 4,499,399	\$ 4,450,928	-1.5%
Water and Sewer Fund	161,381	193,602	200,851	199,786	3.2%
Risk Claims Fund	344,461	386,624	386,624	407,322	5.4%
Total Revenues	\$ 4,530,646	\$ 5,098,397	\$ 5,086,874	\$ 5,058,036	-0.8%

DEPARTMENT PROGRAMS & PERFORMANCE MEASURES

Program: Administration

General Fund: \$559,937

FTEs: 4

Goal: Well-Managed City

Objective: To maintain the highest possible credit ratings from all ratings agencies.

Initiative: To present information to the rating agencies that illustrates the City's financial, administrative, and economic strengths.

	Actual FY14	Adopted FY15	Estimated FY15	Proposed FY16
Measures:				
Credit rating issued by S&P	AAA	AAA	AAA	AAA
Credit rating issued by Fitch	AAA	AAA	AAA	AAA
Credit rating issued by Moody's	Aaa	Aaa	Aaa	Aaa

Program: Payroll

General Fund: \$252,936

FTEs: 3.5

Goal: Well-Managed City

Objective: To process each bi-weekly payroll on time with error rate of less than 0.02%.

Initiative: To utilize best practices and continuously improve quality.

	Actual	Adopted	Estimated	Proposed
Measures:	FY14	FY15	FY15	FY16
# Payroll checks issued	1,953	2,600	2,400	2,500
# Direct deposits	70,312	70,000	70,200	70,250
# Checks/advices issued with errors	3	8	8	8
% Checks/advices issued without error	100.00%	99.99%	99.99%	99.99%

Objective: To ensure that all balance sheet general ledger accounts associated with payroll are maintained accurately.

Initiative: To perform account reconciliations thoroughly each accounting period according to the established schedule.

	Actual	Adopted	Estimated	Proposed
Measures:	FY14	FY15	FY15	FY16
# GL accounts reconciled	1,637	1,600	1,600	1,600
% GL accounts reconciled (corrected if necessary) each month	100%	100%	100%	100%

Program: Accounts Payable

General Fund: \$341,471

FTEs: 5.5

Goal: Well-Managed City

Objective: To pay 90% of all invoices within 30 days of invoice date.

Initiative: To utilize best practices and continuously improve quality.

	Actual	Adopted	Estimated	Proposed
Measures:	FY14	FY15	FY15	FY16
# Invoices	58,993	59,000	62,500	65,000
% Invoices paid within 30 days	89.7%	90.0%	90.0%	90.0%

Objective: To maximize the number and percentage of invoices paid by electronic payment.

Initiative: To utilize best practices, reduce printing/postage costs, and continuously improve quality.

	Actual	Adopted	Estimated	Proposed
Measures:	FY14	FY15	FY15	FY16
# Checks issued	33,616	32,450	31,250	30,875
# Electronic payments	25,377	26,550	31,250	34,125
% Electronic payments	43.0%	45.0%	50.0%	52.5%

Program: Financial Reporting

General Fund: \$833,029

FTEs: 9

Goal: Well-Managed City

Objective: To prepare financial reports that are timely and of the quality warranting an unqualified audit opinion and GFOA awards for excellence in financial reporting.

Initiative: To prepare quality financial reports.

	Actual	Adopted	Estimated	Proposed
Measures:	FY14	FY15	FY15	FY16
Was audit opinion unmodified?	Yes	Yes	Yes	Yes
Did CAFR receive GFOA award?	Yes	Yes	Yes	Yes
Did Popular Report receive GFOA award?	Yes	Yes	Yes	Yes
# Significant material findings in internal and external audits	0	0	0	0

Program: Purchasing

General Fund: \$398,842

FTEs: 5

Goal: Well-Managed City

Objective: To complete the purchasing cycle (requisition to PO) for 90% of purchases of commodities within 2 business days.

Initiative: To utilize best practices and continuously improve quality.

	Actual	Adopted	Estimated	Proposed
Measures:	FY14	FY15	FY15	FY16
# Purchase orders (PO)	17,282	20,000	16,000	15,500
% Purchase orders issued within 2 business days	88.5%	90.0%	90.0%	90.0%

Objective: To increase the number of Purchasing card users and transactions.

Initiative: To utilize best practices in procurement.

	Actual	Adopted	Estimated	Proposed
Measures:	FY14	FY15	FY15	FY16
# P-Card users	354	380	380	400
# P-Card transactions	12,721	13,000	16,000	16,000

Objective: To complete 95% of all Finance Officer's pre-audit certification of contracts within 3 days of notification via OnBase.

Initiative: To manage and follow-up on the process.

	Actual	Adopted	Estimated	Proposed
Measures:	FY14	FY15	FY15	FY16
# Contracts	1,026	1,000	1,000	1,000
% Contracts certified within 3 days	98%	97%	100%	100%

Program: Treasury Management

General Fund: \$553,565

FTEs: 2

Goal: Well-Managed City

Objective: To ensure that investment earnings for idle funds exceed the cost of managing those funds and contribute to the "bottom line."

Initiative: To more actively manage the City's investment portfolio.

	Actual	Adopted	Estimated	Proposed
Measures:	FY14	FY15	FY15	FY16
Investment % yield vs. average daily 2 year treasury yield for same period	+0.15%	+0.10%	+0.05%	+0.10%

Investment earnings	1,316,447	750,000	750,000	850,000
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Program: Interlocal Tax Contract

General Fund: \$1,007,226

FTEs: 0

Goal: Well-Managed City

Objective: To ensure that the County Tax Collector maximizes the property tax collection rate.

Initiative: To utilize best practices and to maximize the collection rate.

	Actual	Adopted	Estimated	Proposed
Measures:	FY14	FY15	FY15	FY16
% Collection rate	99.23%	98.75%	98.75%	98.75%

Program: Billing and Collections

General Fund: \$439,519

FTEs: 6

Water & Sewer

Fund: \$199,786

FTEs: 4

Goal: Well-Managed City

Objective: To ensure that adjustments are made to false alarm bills as infrequently as possible.

Initiative: To monitor performance of outside service provider and make recommendations to continuously improve quality

	Actual	Adopted	Estimated	Proposed
Measures:	FY14	FY15	FY15	FY16
\$ Value of false alarm bills issued	368,791	400,000	410,000	400,000
% False alarm bills adjusted	0.29%	0.35%	0.40%	1.16%
# False alarms	8,349	N/A	10,900	10,900
# of false alarm bills issued	3,490	N/A	2,150	2,150

Objective: To maximize earnings from business licensing by ensuring that discovery efforts result in an increase in the number of licensed businesses.

Initiative: To increase diligence in identifying unlicensed businesses operating within the City and develop an "audit" program.

	Actual	Adopted	Estimated	Proposed
Measures:	FY14	FY15	FY15	FY16
# Business licenses issued	9,646	11,900	4,600	N/A
# New licenses issued resulting from discovery efforts	71	300	325	N/A
\$ Generated from business licenses issued from discovery efforts	24,480	60,000	325,000	N/A

Objective: To ensure that payments received are posted accurately.

Initiative: To utilize best practices and continuously improve quality.

	Actual	Adopted	Estimated	Proposed
Measures:	FY14	FY15	FY15	FY16
% Payments posted accurately by Cashiering	99.83%	99.00%	99.84%	99.84%

Objective: To reduce the amount of delinquent accounts and increase collection rates.

Initiative: To pursue more aggressive collection efforts utilizing new tools such as collection agency, wage garnishment, bank account attachment, and other strategies as appropriate or allowed by law.

	Actual	Adopted	Estimated	Proposed
Measures:	FY14	FY15	FY15	FY16
% Delinquent UB accounts placed with collection agency	67.60%	68.00%	63.00%	60.00%
% Collection/recovery UB accounts - collection agency	12.62%	10.00%	12.75%	12.99%
Internal collections rate - select GB segments	68.25%	70.00%	55.00%	57.33%

Program: Risk Management and Safety

General Fund: \$407,322

FTEs: 5

Goal: Safe and Secure Community

Objective: To ensure the safety of city facilities and work-sites by increasing the number of safety inspections and by evaluating facility and site inspection reports to identify and correct hazards and potential hazards.

Initiative: To maintain continuous process improvement in the City's risk management and safety process.

	Actual	Adopted	Estimated	Proposed
Measures:	FY14	FY15	FY15	FY16
# Inspections	139	100	130	150
% City facilities inspected	N/A	N/A	85.0%	90.0%

Objective: To reduce the number of lost time claims.

Initiative: To develop new employee safety program that will include training more closely targeted at work hazards and exposures and other risks identified through claims analysis.

	Actual	Adopted	Estimated	Proposed
Measures:	FY14	FY15	FY15	FY16
# Lost work days	1,443	1,475	1,875	1,600
# Lost time claims	44	N/A	22	26
% Claims reported within 3 days	72.02%	N/A	90.00%	90.00%
% Claims generating lost time	20.28%	N/A	13.00%	13.00%

Objective: To reduce at fault automobile accidents by 5%.

Initiative: To maintain continuous process improvement in the City's risk management and safety process.

	Actual	Adopted	Estimated	Proposed
Measures:	FY14	FY15	FY15	FY16
# At fault auto accidents	123	121	142	135
% Reduction in number of at fault automobile accidents	8.9%	6.0%	6.0%	4.9%

Program: Print Shop

General Fund: \$64,403

FTEs: 1

Goal: Well-Managed City

Objective: To ensure that the Print Shop is utilized to the maximum extent possible to minimize total printing and duplicating services expenses.

Initiative: To utilize best practices and manage expenses.

	Actual	Adopted	Estimated	Proposed
Measures:	FY14	FY15	FY15	FY16
# Print jobs	1,560	1,600	995	300
% Print jobs produced in-house	98%	98%	61%	20%
# Impressions generated	3,656,469	3,600,000	2,980,180	150,000
% On Time Performance for Bill Print/Mail Service	N/A	N/A	N/A	100%

BUDGET ISSUES FOR FY 2015-16

- Reductions in staffing levels over the past several budget years will continue to create challenges within the department as workloads and demands for services have not declined.
- Attracting and retaining qualified employees, succession planning, and maintaining the current high levels of morale will all continue to be issues for the upcoming fiscal year.

ACCOMPLISHMENTS FOR FY 2014-15

- Contributed to the Culture of Service to Co-workers initiative by hosting Safety Expo
- Analyzed various economic development projects, including Bull Durham Village and Durham Innovation District
- Transitioned Third Party Administrator for workers comp and liability claims
- Transitioned Print shop to outsourced vendor
- Expanded on-line bill paying functionality
- Increased the use of procurement cards by City departments and e-payables program to take advantage of rebates and to lower accounts payable costs
- Updated debt model and indirect cost plan based on latest round of assumption
- Updated Storm Water and Water Management rate models
- Revised Convention Center Interlocal Agreement
- Repurposed existing staff to better support the MUNIS ERP system
- Received a “clean” and unmodified audit opinion, with no issues to report in the Management Letter, on the FY 2013-14 financial statements along with a single audit report that identified no findings related to the City’s expenditure of Federal Funds
- Reaffirmed credit ratings with all agencies that make the city one of the highest rated public entities in the country
- Refinanced \$82M of outstanding GO & LOBs bonds with gross savings of \$10.1M including \$4.9M in the DPAC Fund
- Working on draw-down program that will enable more flexibility with project funding
- Maintained credit ratings that make the city one of the highest rated public entities in the country
- Received 29th consecutive Certificate of Achievement for Excellence in Financial Reporting for the Comprehensive Annual Financial Report (CAFR)
- Received 10th consecutive Award for Outstanding Achievement in Popular Annual Financial Reporting
- Received 12th consecutive Sustained Professional Purchasing Award from the Carolinas Association of Governmental Purchasing

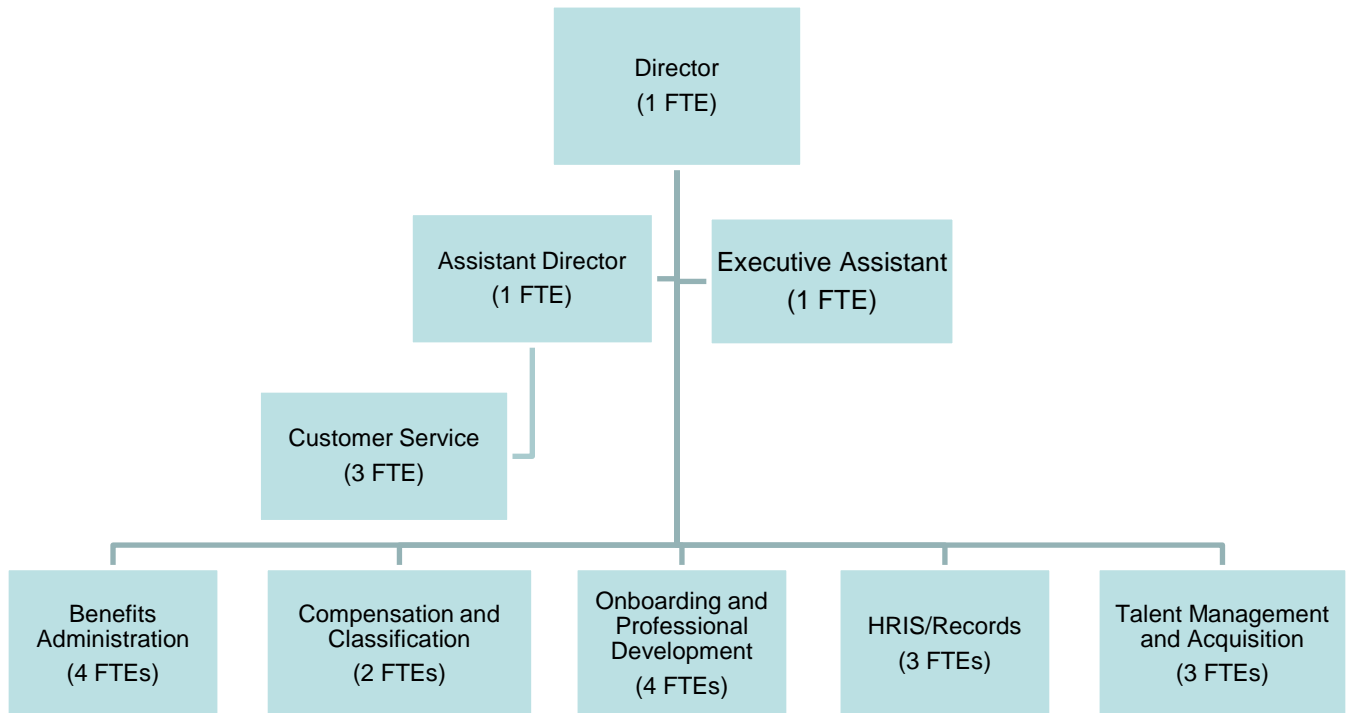
ANTICIPATED ACCOMPLISHMENTS FOR FY 2015-16

- Provide leadership to Billing Process Improvement Team and improve billing processes city-wide.
- Improve Risk Management and Safety functions and continue working on the improvement plan.
- Document procedures within Risk Management.
- Determine curriculum for on-line safety training.
- Identify options for increasing electronic payments.
- Identify methods to increase collections on amounts owed to the City.
- Develop customized MUNIS training for specific user groups (e.g. project managers).
- Develop marketing framework for financial consulting services.
- Conduct overall review of procurement process.
- Continue the oversight of program accountants responsible for administering grants.
- Provide monthly and quarterly financial updates to the City Manager and Council (joint projects with BMS Department).
- Maintain the City’s credit ratings.
- Monitor recent, upcoming, and anticipated GASB pronouncements, how they are being addressed, and the impacts they are expected to have on financial reporting and budgeting.



Human Resources

(22 FTEs)



HUMAN RESOURCES

Purpose Statement:

We are committed and knowledgeable professionals who provide value-added human capital services to acquire top talent, engage and grow our workforce, and make the City of Durham a great place to live, work and play.

DEPARTMENT DESCRIPTION

Human Resources

\$1,980,711
22 FTEs

The Human Resources Department provides the City of Durham with personnel based services. These services are dedicated to attracting and retaining well qualified employees and to creating a positive environment in which the employees work. The services provided to departments include: benefits, selection and recruiting, compensation and classification, training, employee relations, wellness, and consultation on employee relations matters and organizational issues. The department provides administration and oversight of the City's benefit plans, wellness and Employee Assistance Program (EAP), substance abuse testing, coordinates training, and ensures compliance with federal and state regulations and consults/advises on organization policies. The department assists the City's administration through advice and consultation on personnel related issues, policy development and revision as well as participation in the City's organizational development and strategic planning.

General Administration

The Administration unit is responsible for the overall operation of the department including strategic planning, performance measurement, day-to-day operations, and the budget. Administration provides consultation on Human Resources issues to the City Administration, City Council, and external customers.

HRIS/Records

The HRIS team is responsible for maintaining the integrity and reliability of the human resource information systems. The HRIS team aligns the organization's Human Resources information systems needs with those of the Technology Solutions Department, Finance Department and other stakeholders. HRIS administers and maintains various HR information systems including MUNIS and NEOGOV. HRIS is responsible for testing, designing and implementing all systems changes and upgrades. Develops and maintains reports to provide accurate data to internal and external customers. Accurately reviews, approves, and processes citywide personnel actions and leave adjustments. HRIS functions as project manager for new departmental systems initiatives. HRIS is responsible for the disclosure, security and maintenance of personnel records.

Benefits Administration

The Benefits Administration team is responsible for the central management of employee benefit programs, wellness programs, the employee assistance program, the Medicare Supplement program, Paid Temporary Disability coordination; HIPAA and FMLA management, and training and coordination of the retiree benefits program and retiree planning; COBRA administration; preparation of benefit survey responses, and benefit regulation compliance for the department. Develops the request for proposals for benefits and benefits brokerage services. Responsibility for coordination of the military leave process and personal illness process and for the preparation of any benefits request for proposals is included.

Talent Management and Acquisition

The Talent Management and Acquisition team provides complete HR staffing and selection services to all departments. This includes: assistance with NeoGov, ensuring that jobs are appropriately advertised, assisting with interview panels and assessment processes in departments, conducting targeted and specialized recruitment, job fair attendance, re-entry program coordination, and providing information and assistance to employees in departments. Administers and proctors Police and Fire testing for various promotional processes.

Compensation and Classification

The Compensation and Classification Team provides guidance in the fair and equitable management of positions for all City employees by conducting position studies and market surveys, maintaining job descriptions for all City classifications, maintaining the full-time classification and pay plans, and reviewing or advising departments concerning any departmental part time pay plans. The Team administers the performance management system, provides FLSA guidance, and provides training in related areas. The unit also provides recommendations regarding pay policy related issues such as Extra Duty Pay, Acting Pay, incentive pay, and exceptional salary offers. All salary offers for positions are reviewed by the unit through NeoGov.

Onboarding and Professional Development

The Onboarding and Professional Development Team provides a variety of services that enhance employees' overall value to the organization and maximize service delivery to the citizens of Durham. The services provided include onboarding, training, educational opportunities including technical skills and communication skills (workshops, courses, and career development), customized facilitations, MUNIS Employee Self Service administration and request for proposals for professional training consultants and facilitators and monitors the fund from which organization-wide training is paid. This includes trainers, consultants, facilitators, training resources, and tuition reimbursement for all City employees. This team also is responsible for employee relations. Employee relations includes coordinating, facilitating and monitoring Employment Security Commission (ESC) hearings, assigned investigations, grievances, mediations and responses. The ER coordinator assists in responding to Equal Employment Opportunity Commission (EEOC) and Retaliatory Employment Discrimination Act (REDA) complaints, reviews and updates policies, and conducts various trainings related to employee relations.

Customer Service

The HR Connect Customer Service Team provides customer service assistance for all internal and external HR customers. HR Connect is the central hub of information for the HR Department and increases department accessibility, satisfaction rating, and departmental efficiency. The HR Connect team provides front desk & lobby coverage, provides phone, email, & walk-in support, processes department mail, and manages first stop resolution & escalation to specialist. This team is also responsible for coordination and dissemination of communications for the HR department. The team manages the HR knowledgebase and customer service Management software and is responsible for ID badge creation and replacement for City of Durham employees.

RESOURCE ALLOCATION

	Actual FY 2013-14	Adopted FY 2014-15	Estimated FY 2014-15	Proposed FY 2015-16	Change
Appropriations					
Personal Services	\$ 1,599,836	\$ 1,645,878	\$ 1,724,006	\$ 1,827,605	11.0%
Operating	96,193	105,136	154,926	153,106	45.6%
Capital and Other	-	-	-	-	0.0%
Subtotal Appropriations	\$ 1,696,029	\$ 1,751,014	\$ 1,878,932	\$ 1,980,711	13.1%
Nondepartmental					
Flex Reimbursement	\$ 41,913	\$ 30,000	\$ 30,000	\$ 30,000	0.0%
Unemployment Compensation	613,556	300,000	124,000	200,000	-33.3%
Subtotal Nondepartmental	\$ 655,469	\$ 330,000	\$ 154,000	\$ 230,000	-30.3%
Total Appropriations	\$ 2,351,498	\$ 2,081,014	\$ 2,032,932	\$ 2,210,711	6.2%
Full Time Equivalents	20	20	20	22	2.0
Part Time	1	1	1	1	-
Revenues					
Discretionary	\$ 2,269,502	\$ 2,000,275	\$ 1,952,193	\$ 2,054,038	2.7%
Program	-	-	-	-	0.0%
Total General Fund	\$ 2,269,502	\$ 2,000,275	\$ 1,952,193	\$ 2,054,038	2.7%
Risk Claims Fund	-	-	-	73,034	100.0%
Employee Insurance Fund	81,996	80,739	80,739	83,639	3.6%
Total Revenues	\$ 2,351,498	\$ 2,081,014	\$ 2,032,932	\$ 2,210,711	6.2%

DEPARTMENT PROGRAMS & PERFORMANCE MEASURES

Program: General Administration **General Fund: \$362,126**
FTEs: 3
Goal: Well Managed City
Objective: To improve customer satisfaction with HR services.
Initiative: Survey organization at least once annually and design responses based on results.

Measures:	Actual FY14	Adopted FY15	Estimated FY15	Proposed FY16
Surveys Completed	514	605	605	605
% Employees completing Survey	25%	35%	35%	35%
%Employees rating HR services satisfactory or better	85%	90%	90%	90%

Program: HRIS **General Fund: \$273,388**
FTEs: 3
Goal: Well Managed City
Objective: To provide comprehensive, secure Human Resources documentation, information and data management.
Initiative: Maintain accurate MUNIS records, personnel records, Employee Self Service (ESS), document management intake.

Measures:	Actual FY14	Adopted FY15	Estimated FY15	Proposed FY16
# of Processes automated	N/A	N/A	N/A	2

Program: Benefits **General Fund:** \$330,980
FTEs: 4

Goal: Well Managed City
Objective: To improve employee well-being and decrease health-related costs.
Initiative: Provide opportunities to employees to improve their well-being.

Measures:	Actual FY14	Adopted FY15	Estimated FY15	Proposed FY16
# Health risk assessment surveys or studies conducted	1,835	2,080	2,080	2,340
Average claim amount (Per Employee Per Month)	\$834	\$760	\$790	\$760

Program: Classification & Compensation **General Fund:** \$190,885
FTEs: 2

Goal: Well Managed City
Objective: To increase satisfaction with salary and classification services.
Initiative: Conduct market research and implement adjustments to maintain salary structures.

Measures:	Actual FY14	Adopted FY15	Estimated FY15	Proposed FY16
# Reclassification studies (occupied positions) completed during annual process	67	57	51	45
% City employees ranking the compensation and classification systems as satisfactory or better	65%	39%	46%	70%
# Pay system adjustments needed	25	25	25	25
% Studied classifications whose midpoint is within 90% of market	90%	95%	90%	95%

Program: Talent Management and Acquisition **General Fund:** \$267,794
FTEs: 3

Goal: Well Managed City
Objective: To make Durham an employer of choice.
Initiative: Implement and improve NeoGov system to streamline the hiring and onboarding process.

Measures:	Actual FY14	Adopted FY15	Estimated FY15	Proposed FY16
# Days from posting to hire	116	40	80	40

Program: Customer Service **General Fund:** \$169,269
FTEs: 3

Goal: Well Managed City
Objective: To improve communications between HR and our customers.
Initiative: Utilize technology to facilitate faster, more accurate communication between HR and our customers.

Measures:	Actual FY14	Adopted FY15	Estimated FY15	Proposed FY16
% of Employees rating HR as responsive or very responsive.	N/A	N/A	N/A	90%

Program:	Onboarding and Professional Development	General Fund:	\$313,235
		FTEs:	4
		Risk Fund:	\$73,034
		FTE:	1

Goal: Well Managed City
Objective: To provide training to individuals to enhance their career development.
Initiative: To survey training participants to learn if training was beneficial.

Measures:	Actual FY14	Adopted FY15	Estimated FY15	Proposed FY16
# Workshops and training events held	114	66	130	80
% Employees rating meetings, workshops, trainings as effective	94%	95%	95%	95%
# Training participants	1,877	880	2,400	1,400
% Stating training was beneficial to career enhancement and/or job performance	94%	92%	90%	95%

Objective: To promote a positive work relationship between employees and the organization and with each other regarding equal employment opportunity, fairness and consistency in treatment, and complaint resolution.

Initiative: To reduce the number of complaints/grievances.

Measures:	Actual FY14	Adopted FY15	Estimated FY15	Proposed FY16
# of Investigations	14	12	10	12
% of Investigations resolved within 30 days	36%	80%	100%	100%
# of Grievances	18	19	10	12
% of Grievances resolved within 30 days	72%	80%	100%	100%

BUDGET ISSUES FOR FY 2015-16

- Department will need additional resources to continue taking on additional functions.
- Manual processes and aging computers are hindering staff efficiency and affecting the HR customer experience.
- Increased funding required to maintain HR information systems.

ACCOMPLISHMENTS FOR FY 2014-15

- Relocated all HR staff into one newly renovated location within City Hall.
- Established and communicated service level agreements for all functional units through HR Connect.
- Revised department performance measures.
- Updated many critical Human Resources Policies.
- Continued to address healthcare costs through usage analysis and member education.
- Continued updates to maintain current and accurate job descriptions.
- Maintained compensation systems (Executive, Exempt, Non-Exempt, General, and Part-time) to ensure competitiveness.
- Implemented the NeoGov Applicant Tracking System.

- Continued City wide wellness program activities.
- Launched HR Connect, the HR Customer Service team.
- Completed revision of the HR Strategic Plan.
- Unified training, onboarding, and employee relations as the Onboarding and Professional Development team.
- Completed reorganization of the department for functional and service-level improvements.

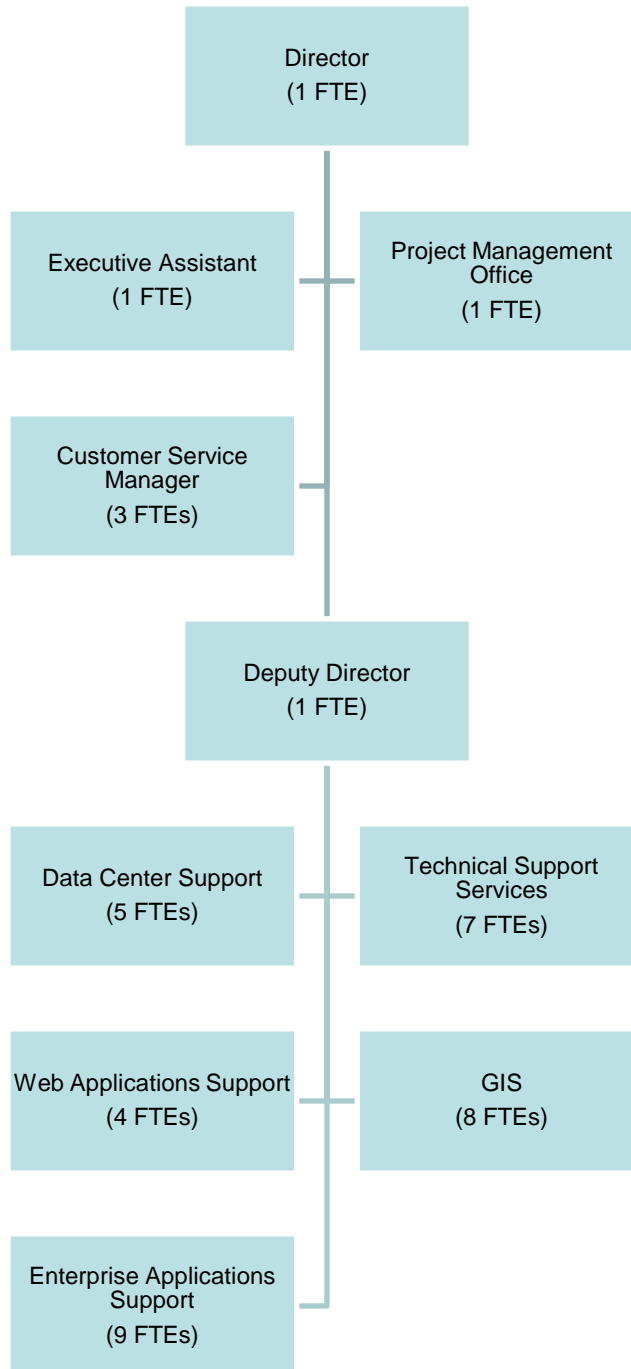
ANTICIPATED ACCOMPLISHMENTS FOR FY 2015-16

- Reimagine the employee onboarding experience.
- Compile baseline health data for the City and continue development of wellness program.
- Design a recruiting plan to address EEOC deficiencies.
- Update Human Resources Web and CODI sites.
- Complete updates to critical Human Resources policies.
- Lead the City in strategic workforce and succession planning.
- Identify critical knowledge, skill and ability needs throughout the City.



Technology Solutions

(40 FTEs)



TECHNOLOGY SOLUTIONS

Purpose Statement:

To provide quality Information Technology (IT) services and solutions that brings optimal business value to our customers.

DEPARTMENT DESCRIPTION

Technology Solutions Department

\$5,993,096
40 FTEs

The core business of the Technology Solutions (TS) Department is to align the City's crucial information technology infrastructure, services, solutions, and TS human capital to the business needs of the City's departments.

Administration

This program provides for strategic planning and executive management of the Technology Solutions Department. Within the TS department's administrative program, there are three additional business programs: Project Management Office, IT Governance (has not been implemented at this time), and Customer Service Management.

Technical Support Services

The Technical Support Services Program supports the maintenance of desktop systems, network services and data center operations. This division of the TS department also manages the PC Replacement Program and systems administration of the metropolitan voice/data network and datacenter. It provides efficient and effective computer and infrastructure support services for employees, desktop systems and application, telecommunications, security, network and data center infrastructure and operations. This program also manages the multifunctional print devices (copiers) contract for the City of Durham.

Innovation & Solutions

The Innovations and Solutions Program provides business analysis, web applications development, database development and administration, and enterprise systems support. This program works with the business units to effectively align IT solutions to their business needs. Critical applications such as Payroll, Accounts Payable, Water Billing, Budget, Human Resources, Contract and Document Management, Work Order Management, etc. are supported by this division.

The Geographic Information Systems

This program operates under an inter-local agreement between the City and County governments to manage the enterprise Geographic Information System and provide related services to internal and external customers. GIS provides and supports critical spatial analytic services that support decision makers in the City and County of Durham.

Technology Surcharge / Land Development Office (LDO)

The City's Planning and Inspections Departments collect a technology surcharge fee applicable to development permits. These revenues are designated to improving technology associated with the LDO. This application provides automation for permit and case management. It also provides interoperability between departments involved in land development activities throughout the County.

RESOURCE ALLOCATION

	Actual FY 2013-14	Adopted FY 2014-15	Estimated FY 2014-15	Proposed FY 2015-16	Change
Appropriations					
Personal Services	\$ 3,825,899	\$ 3,770,049	\$ 3,970,293	\$ 3,802,398	0.9%
Operating	1,819,979	1,980,081	2,487,993	2,141,979	8.2%
Capital and Other	-	250,000	-	-	-100.0%
Transfers	48,709	48,709	48,709	48,719	0.0%
Total Appropriations	\$ 5,694,587	\$ 6,048,839	\$ 6,506,995	\$ 5,993,096	-0.9%
Full Time Equivalents	40	40	40	40	-
Part Time	-	-	-	-	-
Revenues					
Discretionary	\$ 5,286,374	\$ 5,477,228	\$ 5,870,384	\$ 5,333,149	-2.6%
Program	408,213	571,611	636,611	659,947	15.5%
Total Revenues	\$ 5,694,587	\$ 6,048,839	\$ 6,506,995	\$ 5,993,096	-0.9%

DEPARTMENT PROGRAMS & PERFORMANCE MEASURES

Program: Administration **General Fund:** \$774,096
FTEs: 7

Goal: Well-Managed City

Objective: To efficiently and effectively align resources and services with business needs maintaining operating costs at less than 5% of City overall budget; and receive a 90% or better customer satisfaction rating.

Initiative: Establish Citywide IT Governance Framework based on best practice methodologies focused on information technology (IT) systems, their performance and risk management to accomplish goal. Create new programs to manage and align to business needs.

	Actual FY 14	Adopted FY 15	Estimated FY 15	Proposed FY 16
Measures:				
% of Workplan projects completed on time.	88%	90%	90%	90%
% IT overall satisfaction (Bi-annual)	95%	90%	87%	90%
% of TS work plan projects completed on time	80%	90%	95%	90%

Program: Technical Support Services **General Fund:** \$2,438,404
FTEs: 12

Goal: Well-Managed City

Objective: Meet or exceed a 90% or better customer satisfaction rating and complete 90% of all service requests within 24 hours or a due date set with customer.

Initiative: Align TS Infrastructure and computer support services and resources to the business needs of the City using best practice methodologies.

Measures:	Actual FY 14	Adopted FY 15	Estimated FY 15	Proposed FY 16
% IT overall Satisfaction (Help Desk)	93%	90%	90%	90%
% Requests completed within 24 hours or by customer approved due date	80%	90%	90%	90%
% of Infrastructure Uptime	99.6%	99.9%	98.7%	99.9%
% of Available Data Center Capacity	93.0%	20%	60%	20%

Program: Innovation & Solutions **General Fund:** \$1,714,917
FTEs: 13

Goal: Well-Managed City

Objective: Meet or exceed a 90% or better customer satisfaction rating and complete 90% of all service requests within 24 hours or a due date set with customer.

Initiative: To deliver innovative solutions, and support to meet the business needs of the City. This is done using best practice methodologies while effectively aligning resources and services.

Measures:	Actual FY 14	Adopted FY 15	Estimated FY 15	Proposed FY 16
% IT overall Satisfaction (Help Desk)	90%	90%	90%	90%
Tickets closed per analyst	297	297	297	297
% Requests completed within 24 hours or by customer approved due date	88%	90%	88%	90%

Program: Geographic Information Systems **General Fund:** \$860,893
FTEs: 8

Goal: Well-Managed City

Objective: Meet or exceed a 90% or better customer satisfaction rating and complete 90% of all service requests within 24 hours or a due date set with customer.

Initiative: To deliver innovative solutions, and support to meet the business needs of the City. This is done using best practice methodologies while effectively aligning resources and services.

Measures:	Actual FY 14	Adopted FY 15	Estimated FY 15	Proposed FY 16
% IT overall Satisfaction (Help Desk)	92%	90%	92%	90%
% Requests completed within 24 hours or by customer approved due date	97%	90%	90%	90%
Technology Surcharge/Land Development Office (LDO)				\$ 204,786

BUDGET ISSUES FOR FY 2015-16

- The high number of unanticipated departmental request for small projects has grown to a level that an additional project manager is needed. Business units expect TS to deliver these initiatives to City departments in a efficient and effective manner that results in departments obtaining the anticipated value.
- Need to refresh critical Data Center Infrastructure (Virtual Environment Servers) which most of the City's applications currently run on.
- Arising need for additional office space/redesign of existing office space to accommodate staff work space and equipment needs.

ACCOMPLISHMENTS FOR FY 2013-14

- Implemented storage area network refresh and cost avoidance initiative.
- Implemented GIS improvements.
- Implemented fifty percent of the planned network infrastructure improvements.
- Implemented the City's open data initiative proof of concept.
- Implemented an improved voice over IP and alerting solution across all City Departments.
- Implemented new web 2.0 website for the City.
- Implemented applicant tracking (NEOGOV) phase 1 with the HR Department.
- Completed the planning phase of the timekeeping and advanced scheduling (Kronos) project.
- Completed fifteen of twenty departments approved for online employee self-service leave requests.
- Completed OnBase upgrade.
- Completed implementation of new asset management process for TS assets.
- Developed and documented standard operating procedures for all TS divisions.

ANTICIPATED ACCOMPLISHMENTS FOR FY 2014-15

- Implement KTLO initiatives.
- Hire new project manager.
- Implement remaining network infrastructure improvements.
- Continued open data initiative.
- Complete planning for virtual server environment refresh.
- Complete planning for backup and archiving environment refresh.
- Complete GIS 3D modeling for urban design initiative.
- Complete twenty of twenty departments approved for online employee self-service leave requests.
- Implement new timekeeping and advanced scheduling system for DPR and Fire Departments.
- Implement Cityworks with Parks and Recreation Department.
- Complete OnBase upgrade.
- Complete Munis upgrade.